

17 August 2010
For Immediate release



Midatech and MonoSol Rx Announce Filing of Joint Patent Application for Nanoparticle Film Delivery Systems

Oxford, UK and Warren, New Jersey (17 August, 2010) – Midatech Ltd, a global leader for the design, development, synthesis and manufacture of nanomedicines, and MonoSol Rx, the leader in developing and manufacturing pharmaceutical films based on its proprietary PharmFilm® drug delivery technology, today announced the filing of a provisional US patent application for “Nanoparticle Film Delivery Systems.” The applications submitted to the United States Patent and Trademark Office (USPTO) relate to therapeutic uses of nanoparticle-based proteins and peptides delivered in pharmaceutical films.

The Nanoparticle film delivery system could be used to overcome the difficulties associated with the delivery of biologic therapies to the circulatory system, allowing for a unique, more effective, convenient and efficient delivery system of biologics, through buccal or sublingual administration.

The delivery system facilitates transport of a therapy into the bloodstream without exposure to the gastrointestinal tract of the patient, avoiding gastrointestinal destruction and/or side-effects often associated with the oral drug delivery of certain molecules. Additionally, the combination of these technologies allows for the oral delivery of an entire class of therapies previously available primarily through injection.

The joint patent application relates to film delivery systems comprising nanoparticles, particularly for use in medicine, and includes methods and systems for the treatment of disorders of blood glucose in diabetic conditions. The patent is directed at compositions, delivery systems, products and methods of making and administering such compositions to sufferers.

Commenting on the filing of the patent, Professor Tom Rademacher, Chairman of Midatech Ltd said: “The filing of this patent will enable us to fully commercialise this exciting new drug delivery technology. The system has the potential to solve many of the problems associated with the effective delivery of biologics, and we are very pleased to be continuing our collaboration with MonoSol Rx.”

Mark Schobel, President and CEO of MonoSol Rx added: “Midatech’s ability to develop nanomedicines makes it an ideal partner to ensure we are able to fully exploit our PharmFilm® technology. Our film technology delivering nanoparticles provides new ways for the effective delivery of drug treatments that are attractive to patients and caregivers alike. In the case of biologics, especially in chronic care situations, the ability to provide therapeutic value without regular injections can provide a vast improvement over current therapies.”

Since 2008, MonoSol Rx and Midatech have been collaborating on nanoparticle and PharmFilm® drug delivery technologies. PharmFilm® formulations under the collaboration have

the potential to provide an easy-to-use, noninvasive delivery alternative to many of today's injectable and intravenous therapeutics.

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Notes to editors:

About Midatech Ltd

Midatech Ltd, UK, is a world leader in the design, synthesis and manufacture of biocompatible nanoparticles. These nanoparticles can be used to create a wide variety of products with novel characteristics, functions and applications for a number of industry segments including life sciences, electronics and fine chemicals.

Founded in 2000, Midatech Ltd is a private company headquartered in Abingdon, Oxford, UK. In 2005 it registered its manufacturing facility – Midatech Biogune S.L. – in Bilbao, Spain, which became fully operational for cGMP standard design and manufacturing of API nanoparticles in March 2007. In 2008 Midatech Ltd further expanded with the opening of PharMida AG in Basel, Switzerland, which is responsible for clinical development of Midatech's products. Midatech's biocompatible nanoparticles possess a number of unique properties that make them ideal for diagnostic and therapeutic applications.

The nanoparticles are water soluble and can be designed to either diffuse freely *in vivo*, or to target specific cells. With a diameter of less than 5nm, unbound nanoparticles are freely excreted from the kidneys, reducing the likelihood of non-specific *in vivo* accumulation. Their size potentially enables drug delivery via different routes of administration, such as parental, transdermal, mucosal, intradermal transbuccal, sublingual or intranasal/inhalation. Their stability to enzymatic digestion may also permit oral therapy. Nanoparticles can be designed to be invisible to the host immune system with multiple ligands attached to a single nanoparticle allowing multivalent drug or multi-drug delivery on a single particle. In addition, as the nanoparticles self-assemble in a single step chemical process manufacturing is simple, safe, scalable and low cost.

Midatech Ltd has exclusive world-wide IP for the technology covering design, manufacture and application/use of nanoparticles in both diagnostic and therapeutic pharmaceutical areas as well as in other industries. It also has exclusive world-wide rights for technology relating to the synthesis and applications of self-assembling nanoparticles.

For further company information see www.midatechgroup.com

About MonoSol Rx

MonoSol Rx is a specialty pharmaceutical company leveraging its proprietary PharmFilm® technology to deliver unique proprietary pharmaceutical drug films. PharmFilm® is designed to benefit patients by improving the convenience, efficacy, and compliance of new and currently marketed drugs. The Company's leadership in film drug delivery is supported by strong intellectual property, a portfolio of commercialized over-the-counter (OTC) drug products, and a development pipeline of prescription formulations based on PharmFilm® technology.

The Company's commercialization strategy for all PharmFilm® products is to partner with the innovator, other specialty pharma or leading consumer products companies that can sell-in and manage product sales and marketing. For existing and future partners, PharmFilm® formulations represent revenue-life cycle extensions for products with patent lives that have expired or are approaching expiration. PharmFilm® is also a tool to help sales and marketing partners differentiate in competitive markets while offering unique advantages over drugs dosed by traditional tablets, capsules and orally disintegrating tablets (ODTs).

Contacts

Midatech Ltd

Thomas Rademacher, Chief Executive Officer and Chairman,
Storme Moore-Thornicroft, Vice President, Corporate Management
Tel: +44 (0)1235 528022
info@midatechgroup.com

Monosol Rx

Keith Kendall, Chief Financial Officer
Tel: +1 (732) 564-5000

College Hill Life Sciences (on behalf of Midatech Ltd)

Anastasios Koutsos , Nicole Yost

Tel: +44 (0)20 7866 7855

midatech@collegehill.com

The Ruth Group (on behalf of MonoSol Rx)

Jason Rando (media)

Tel: +1 (646) 536-7025

jrando@theruthgroup.com

Sara Pellegrino (investors)

Tel: +1 (646) 536-7002

spellegrino@theruthgroup.com